BRITISH COLUMBIA

BC STATS Infoline

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highlights

a weekly digest of recently released British Columbia statistics

Consumer Prices

- **Consumers in British Columbia continued to benefit from relatively little increase in the overall price level in March.** The province's consumer price index (CPI) was 0.5% higher last month than it had been a year earlier, giving BC the lowest inflation rate outside Atlantic Canada. For the first time in several months, residents of Canada's east coast did not experience price deflation. Prices were at the same level as a year earlier in both PEI and New Brunswick, and they edged up marginally (+0.1%) in Nova Scotia. Newfoundland posted a 0.8% increase. Canada's annual inflation rate was 1.0% in March.

  Source: Statistics Canada

- **Declining housing costs remain the primary reason for BC's low inflation rate.** Shelter costs fell 1.1% between March 1998 and last month, the result of a 2.4% drop in the cost of owned accommodation. Prices for most other goods and services showed modest increases, the lone exception being recreation, education and reading materials, where prices were virtually unchanged (+0.1%) from March 1998. Relative to Canadians in general, residents of BC experienced below-average price increases for all major expenditure categories except household operations (+1.6%, compared to +0.2% nationally) and health and personal care (+2.1%, compared to +1.9%). *Source: Statistics Canada*

- **Transportation costs in the province rose (+0.5%) for the first time since July, as the cost of using public transportation jumped 5.7%.** Gasoline prices remained below 1998 levels (-3.9%) in March, and were almost a fifth (-17.8%) lower than in March of 1997.

  Source: Statistics Canada

- **Residents of Vancouver (+0.1%) and Victoria (+0.3%) saw little change in the overall price level.** Among other metropolitan areas, Calgary (+2.1%) was the only city where the inflation rate exceeded two percent. Rates in other cities ranged from a low of 0.1% in Charlottetown to 1.7% in Regina, Saskatoon and Edmonton.

  Source: Statistics Canada

The Economy

- **BC manufacturers' shipments (seasonally adjusted) were unchanged in February.** Shipments of durable goods were stagnant (+0.0%), as a 3.2% decline in wood shipments was offset by increases in shipments by other durables manufacturers, including an 18.3% jump in the machinery and equipment industry. In the non-durables sector (+0.9%), shipments by the paper and allied products industry rose 0.5%, but food shipments fell (-1.6%) for the second straight month.

  Nationally, the value of shipments fell back 0.4% between January and February. Newfoundland (+8.9%), Saskatchewan (+2.4%) and Alberta (+1.5%) were the only provinces to record a significant increase in shipments.

  Source: Statistics Canada

- **Exports of BC products edged up 0.7% in February, compared to the same month last year.** Forest product exports, which make up just over half of total exports, continued their comeback, increasing 5.1% after a 14.9% improvement in January. The main impetus for growth, however, came from international sales of automotive products (+42.0%) and machinery and equipment (+15.6%). Manufactured goods are becoming an increasingly important source of export dollars for the province. About a quarter of BC's export earnings last year came from sales

Report **Are labour markets diversifying?**

Did you know...
Canadian pigs are becoming more productive. Sows are now producing an average of 17.5 piglets a year, up from 15.0 five years ago.

of industrial goods (13%), machinery and equipment (11%), and automotive products (3%).

February's increase–the seventh in as many months–was the weakest since exports began to improve last August. The loonie remains weak compared to the US dollar (which was valued at $1.50 Canadian in February), and much of the improvement in exports in recent months can be attributed to exchange rate effects, as many BC products are sold under contracts denominated in US funds. *Source: Statistics Canada*

- **Canadian exports rose 7.1% in February, led by a 15.8% (year-over-year) increase in exports from Ontario.** So far, there is no sign of abatement in the double-digit export growth Ontario has seen since last August, which has been driven by a booming automotive sector. Exports of auto products increased 32.6% to $7.4 billion in February–more than three-and-a-half times the value of BC's total exports. However, exporters in Alberta (-15.6%), Saskatchewan (-14.4%) and Manitoba (-0.9%) continued to lose steam, dragged down by weakness in the energy and agriculture sectors. *Source: Statistics Canada*

- **Retail sales in BC ended a three-month-long upturn in February, declining 1.5% (seasonally adjusted).** The drop in sales was spread across all sectors. Canadian sales fell 0.4%, with sales declining in eight provinces. PEI (-1.9%) and BC (-1.5%) were hardest hit. Sales were flat in Ontario, but edged up 0.2% in New Brunswick. *Source: Statistics Canada*

- **Wholesale sales in BC remained weak in February, falling to 1.0% (seasonally adjusted) below January's level.** The decline was part of a nationwide downturn which saw sales fall in all but three provinces. Newfoundland (-1.9%) and BC (-1.0%) recorded the largest declines. Saskatchewan (+7.6%), Manitoba (+7.3%) and Alberta (+0.5%) were the only provinces where sales rose in February. However, the improvement in these provinces was strong enough to offset the downturn in the rest of Canada, and total Canadian sales were unchanged from January. *Source: Statistics Canada*

Internet Use

- **Internet usage in BC shot up during 1998, with an additional 8% of all households in the province gaining access to the world wide web.** Last year, 42.0% of households in BC were hooked into the Internet, more than in any other province except Alberta (45.1%).

  BC was one of only two provinces where households were more likely to have Internet access at home (27.9%) than at their place of work (26.7%). BC residents also used the Internet at school (13.1%) and through access stations at public libraries (6.5%). Proportionally more BC households used libraries to log in to the Internet than in any other province. More than a third (35.9%) of all Canadian households had Internet access last year, up from 29.4% in 1997.
  Source: SC, The Daily

Female Inmates

- **Almost a fifth (18%) of Canadians charged with crimes in 1997 were women.** This compares to 13% in 1977. One in eleven people sent to provincial/territorial jails, and one in twenty admissions to federal prisons, in 1997/98 were women. Women accounted for one in fifty admissions to federal prisons ten years earlier.
  Source: SC, Juristat, Vol 19 No 5

- **More than a third (37%) of women serving time in federal institutions in October 1996 were behind bars as a result of homicide or attempted murder**. This compares to 24% of male inmates. However, women were less likely to have committed other crimes of violence, and overall a smaller percentage of female prisoners (64%, compared to 74% of males) were incarcerated as a result of a violent crime. More than a quarter (27%) of women serving time in federal prisons had been jailed for drug offences. This compares to 8% of male inmates. Female prisoners in provincial/territorial facilities were most likely to be incarcerated as a result of property (36%) or other non-violent crimes (36%). Twenty-eight percent of the women in provincial jails were there because of violent crimes.
  Source: Statistics Canada

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For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.

April 23, 1999

Infoline Report:

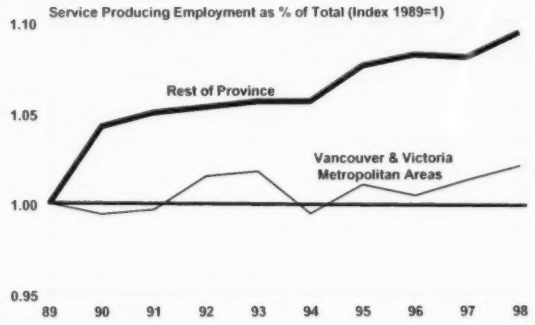
Are the Non-Metropolitan Regions of BC Becoming More Economically Diversified?

Contact: Anne Kittredge / (250) 387-0374

Originally published in December 1998 issue, *Earnings & Employment Trends*. Annual subscription: $60 + GST

For analytical purposes, it is sometimes more meaningful to divide British Columbia into two labour market areas, one being the "metropolitan area" (Greater Vancouver Regional District and the Capital Regional District) and the other, the "non-metropolitan area" (the rest of the province). Historically, these two areas have had very different economic structures, generally characterized as the metropolitan area being the service provider for the province and the outlying areas being the natural resource producer.

The Importance of the Service Producing Industries Has Been Increasing in the Regions

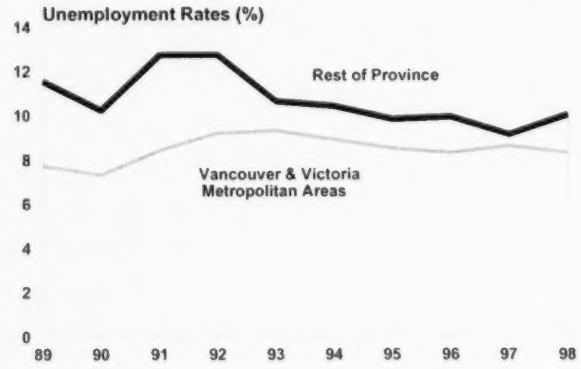


In the 1990's, significant changes have occurred in much of the non-metropolitan region. Importantly, population growth has been more concentrated there --- the Development Region with the greatest population growth over the last ten years has been the Thompson-Okanagan and continuing strong growth has been recorded in Central Vancouver Island, Squamish-Lillooet, the Fraser Valley and the Sunshine Coast.

Changes to the non-metropolitan labour market are also evident. The importance of the resource industries in these economies has been declining gradually, so today many regions of the province are more economically diversified than ten years ago.

The service producing industries are considerably less cyclical and seasonal in nature than the goods producing industries and hence provide more stable jobs. The increasing importance of these service industries has led to a reduction in the extreme volatility of the non-metropolitan economies and hence lower, and less volatile, unemployment rates.

The Non-Metropolitan Regions of the Province Always Register a Higher Unemployment Rate Than the Metropolitan Areas, but this Gap Has Moderated in Recent Years



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BC at a glance . . .

POPULATION (thousands)	Jan 1/99	% change on one year ago
BC	4,021.4	0.7
Canada	30,418.1	0.9
GDP and INCOME		% change on
(BC - at market prices)	1997	one year ago
Gross Domestic Product (GDP) *($ millions)*	109,347	3.3
GDP *($ 1992 millions)*	98,201	2.2
GDP *($ 1992 per Capita)*	24,775	0.1
Personal Disposable Income *($ 1992 per Capita)*	16,340	-2.3
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Feb	2,899	3.3
Merchandise Exports (raw) Feb	2,011	0.7
Retail Sales (seasonally adjusted) Feb	2,735	-0.3
CONSUMER PRICE INDEX		% change on
(all items - 1992=100)	Mar '99	one year ago
BC	110.3	0.5
Canada	109.5	1.0
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Mar '99	one year ago
Labour Force - BC	2,094	2.5
Employed - BC	1,918	4.1
Unemployed - BC	176	-12.8
		Mar '98
Unemployment Rate - BC *(percent)*	8.4	9.9
Unemployment Rate - Canada *(percent)*	7.8	8.4
INTEREST RATES (percent)	Apr 21/99	Apr 22/98
Prime Business Rate	6.50	6.50
Conventional Mortgages - 1 year	6.20	6.30
- 5 year	6.70	6.75
US/CANADA EXCHANGE RATE	Apr 21/99	Apr 22/98
(avg. noon spot rate) Cdn $	1.4891	1.4325
US $ *(reciprocal of the closing rate)*	0.6723	0.6981
AVERAGE WEEKLY EARNINGS		% change on
(industrial aggregate - dollars)	Jan '99	one year ago
BC	615.81	1.0
Canada	604.55	-0.1

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Earnings } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bank-banque-canada.ca/english/wfsgen.htm

New name

Northern Rockies Regional District is the new name of the former Fort Nelson-Liard Regional District.

Internet Explorer and our site

A small percentage of those using Internet Explorer are unable to open our page. We have an alternate page that allows this group to connect to us:

http://www.bcstats.gov.bc.ca/foo.htm

Released this week by BC STATS

- Small Business Quarterly, 4th Quarter 1998
- Earnings and Employment Trends, January '99
- Consumer Price Index, March 1999

Next week

- Exports, February 1999
- Business Indicators, April 1999
- Current Statistics, April 1999

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